Amendment to Competition Act, 2002

3974. SHRI GIREESH KUMAR SANGHI:
SHRI SANTOSH BAGRODIA:

Will the Minister of COMPANY AFFAIRS be pleased to state:

(a) whether the Bill to amend Competition Act, 2002 will be placed for Parliamentary approval in the Budget Session, 2006; and

(b) whether it is a fact that mergers and acquisitions are escaping the desirable scrutiny (Jet Sahara and Holcim-Ambuja Cements) because of the delay in the constitution of full Competition Commission of India (CCI)?

THE MINISTER OF COMPANY AFFAIRS (SHRI PREM CHAND GUPTA): (a) A Bill, the Competition (Amendment) Bill, 2006, to amend the Competition Act, 2002 has been introduced in the Lok Sabha on 09th March, 2006.

(b) While it would be possible to examine such mergers from the competition angle once the Competition Commission of India is fully established and operationalised, acquisition, transfer of shares, reconstructions and amalgamations can be dealt with under the provisions of the Companies Act, 1956. Further, monopolistic practices are dealt with under the provisions of the Monopolies and Restrictive Trade Practices Act, 1969.

Simplification of Fringe Benefit Tax rules

3975. DR. VIJAY MALLYA:
SHRI RAVULA CHANDRA SEKAR REDDY:

Will the Minister of FINANCE be pleased to state:

(a) whether Government have simplified the FBT rules recently for the convenience of taxpayers;

(b) if so, the details thereof;

(c) whether Government also propose to launch the single window system for collection of excise, corporate tax and income tax in major metros from this year;

(d) if so, the details thereof;

(e) the purpose of launching such single window; and

(f) how it would be helpful to the tax payers?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) There is no proposal to formulate separate rules for Fringe Benefit tax (FBT). The compliance procedure is similar to the procedure relating to income-tax.

(c) The Government has decided to establish Large Tax Payer Units (LTUs) in the country which would act as a single window facilitation centre for all large entities paying excise duty, corporate tax/income tax and service tax.

(d) The LTUs would be set up in a phased manner and would be established initially in 5 cities of the country viz. Bangalore, Chennai, Delhi, Kolkata and Mumbai. Participation in the LTUs is optional. Taxpayers (single PAN based entities) who are assessed to income tax in any of these five cities and have paid during the financial year 2004-05 (i) Excise duty of Rs. 5 crore or more; (ii) Service tax of Rs. 5 crore or more; or (iii) Corporation tax of Rs. 10 crore or more, would be eligible to join the LTU.

(e) and (f) Establishment of LTUs is expected to substantially improve efficiency in tax administration, increase, taxpayer satisfaction and reduce compliance and transaction costs for the taxpayers.

Income tax concession to Dhabol/Ratnagiri Gas and Power Ltd.

3976. SHRI CHITTABRATA MAJUMDAR: Will the Minister of FINANCE be pleased to state:

(a) approximate amount involved in extending concession to Dhabol/ Ratnagiri Gas Power Ltd. and through amendment of section 80-IA of Income Tax Act;

(b) whether any waiver on customs duty claims and capital gain tax was granted; and

(c) if so, the details thereof alongwith total amount involved?